State Finances, A Study of budgets of 1999-2000, the debt—GDP ratio of the State governments is projected to increase to 20.5% at the end —March, 2000 as compared to 19.4% in 1998-99. At page S-44 of this Report the outstanding liability of the States is estimated to be Rs. 409,258 crores by March, 2000 which is 19.9% higher than Rs. 341,259 crore at March end 1999.

The Report brings out that the high rate of growth in the nominal stock of debt has translated itself into an accelerated growth of interest payments, putting pressure on resource base of the States. The Report brings out that the State would have to make efforts to contain non-plan revenue expenditure and augment revenue through broadening tax base and cost recovery.

State Governments are autonomous under the Constitution and take measures of their preference from time to time for improving their financial condition. Review of the finances of the Union and the States and suggesting ways and means by which the Governments collectively and severally may bring about a restructuring of the public finances so as to restore budgetary balance and maintain macroeconomic stability, is also within the terms of reference of the Eleventh Finance Commission which is currently in office.

Engagement of Private Surveyor by General Assurance Companies

1280. SHRI VAYALAR RAVI: Will the Minister of FINANCE be pleased to state:

(a) whether the General Assurance Companies are engaging the Private Surveyor for assessment of damages for fixing the insurance payment;

(b) if so, the number of such agencies engaged in different States; and

(c) the reasons for engaging Private Surveyors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASHAEB VIKHE PATIL): (a) No, Sir. General Insurance Corporation has reported that only licenced surveyors are engaged by the companies for assessment of damages for fixing the insurance payment.

(b) and (c) Do not arise.

Growth Rate of Gross Domestic Product of States

1281. SHRI S. RAMACHANDRAN PILAI: Will the MINISTER OF FINANCE be pleased to state:

(a) the gross domestic product (GDP) of States at current prices, state-wise;

(b) the growth rate of GDP of States, statewise; and

(c) the reasons for the slow down of GDP in 1999-2000.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Details are given in the Annexure *(See* Appendix 189, Annexure No. 48)

(c) The overall gross domestic product (GDP) in real terms at factor cost is estimated to grow by 5.9 per cent in 1999-2000 (Advance Estimates) as against 6.8 per cent in 1998-99 (Quick Estimates) as per the latest data available from Central Statistical organisation. The slowdown in overallGDP growth is largely on account of deceleration in GDP growth from agriculture and allied sector from 7.2 per cent in 1998-99 to an estimated 0.8 per cent in 1999-2000.

Rate of Inflation of Food and Essential Commodities

1282. SHRI E. BALANANDAN: Will the Minister of FINANCE be pleased to state:

(a) what are the items of food- and essential commodities which are taken into the baskets in the Wholesale Price Index (WPI); and

(b) what is the rate of inflation of these items for the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Under the existing Wholesale Price Index series with base 1981-82-100, the major group "Primary Articles" includes 44 items of food in its sub group "food articles". In addition to this, 45 food products are included in the major group "manufactured products". The Wholesale Price Index monitors the prices of 30 essential commodities on a weekly basis. These commodities get represented in the three major group of the WPI series.

(b) The annual rates of inflation of food items within the sub group food articles and food products are listed below.

The annual rates of inflation of the group of 30 essential commodities for this period are also indicated.